'World's largest farmer' faces investigation into deforestation

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Olam cleared rainforests over half the size of Singapore

The Forest Stewardship Council (FSC), a global certification body on responsible forest management, has just initiated an <u>investigation</u> into the deforestation liabilities of the world's largest farmer, Olam International, which trades in 47 agricultural commodities across 70 countries.

The FSC investigation will assess Mighty Earth's <u>complaint</u> filed with the FSC in December 2016, which provides damning evidence that Olam cleared vast areas of rainforest for oil palm and rubber plantation development in Gabon and, as a result, violated the FSC Policy of Association. The complaint was filed based on evidence presented in the report "<u>Black Box</u>," co-authored by Mighty Earth and Gabonese Goldman Award winner Marc Ona Essangui's organization Brainforest.

In Olam's response, the company <u>admitted</u> that the company had cleared 25,735 hectares of rainforest while establishing its oil palm plantations in Gabon: "58% (25,735 ha) of the planted area was originally highly logged and degraded secondary forest." Such levels of deforestation violate the FSC Policy for Association, which was established to ensure that no company should benefit from the FSC's eco-forestry certification if it engages in activities that have devastating impacts on ecosystems, biodiversity, and the rights of forest peoples.

In February 2017, following <u>negotiations</u> between Mighty Earth and Olam, mediated by the World Resources Institute, the company agreed to suspend further land clearing of rainforests in Gabon for palm and rubber plantations for a year, Olam also overhauled its palm oil policy, its global policy on how the company treats workers, and its company-wide global policy on protecting forests for all its agricultural commodities. As a result, Mighty Earth agreed to suspend its campaign targeting Olam's oil palm and rubber operations, including its FSC complaint, for one year. In January 2018, Mighty Earth <u>renewed</u> these agreements in order to continue engaging on issues of mutual interest and resolving issues through a process of dialogue.

However, the issues relating to deforestation liabilities in Gabon were not addressed in

2017 or 2018. The FSC, Mighty Earth and Olam have now jointly agreed on a voluntary alternative resolution process to address the issues highlighted in the complaint. The FSC has now commissioned an FSC-accredited assessor (SmartCert) to conduct the investigation, which will be paid for by Olam.

"While it's wonderful that Olam stopped clearing rainforest for its palm and rubber plantations, the company still needs to be held accountable for its past rainforest destruction," said Etelle Higonnet, Mighty Earth Senior Campaign Director. "No company should get away with breaking the FSC rules on deforestation, which are there for a crucial reason: to protect rainforests, which help shield humanity from climate chaos."

The initial investigation will only focus on Olam's oil palm plantations, at Olam's request. A second FSC investigation will cover deforestation for Olam rubber plantations in Gabon. Mighty Earth estimates that Olam cleared around 11,000 hectares of rainforest between 2012-2016 for its rubber plantations in northern Gabon. This was documented by Brainforest's <u>undercover videos</u>, available online.

"The bottom line is that Olam cleared nearly 40,000 hectares of Gabonese rainforest to make way for vast oil palm and rubber plantations in Gabon," said Higonnet. "This undoubtedly violated FSC standards. In the past, the FSC has disassociated companies with such high levels of deforestation. However, the FSC is hoping that this alternative complaint process will lead to Olam compensating for its deforestation liabilities, without the need to disassociate the company. We're are hoping for the best and will be following this process closely to ensure justice is done."

About MightyEarth

Mighty Earth is a global environmental campaign organization that works to protect forests, conserve oceans, and address climate change. We work in Southeast Asia, Latin America, Africa, and North America to drive large-scale action towards environmentally responsible agriculture that protects native ecosystems, wildlife, and water, and respects local community rights. Mighty Earth's team has played a decisive role in persuading the world's largest food and agriculture companies to dramatically improve their environmental and social policies and practices. More information on Mighty Earth can be found atwww.mightyearth.org/.

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